GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:2748
ANSWERED ON:15.12.2015
Sale Price of Agricultural Produce
Bhabhor Shri Jasvantsinh Sumanbhai;Jadhav Shri Prataprao Ganpatrao;Khadse Smt. Raksha Nikhil

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government is aware that the farmers are not getting the benefits of increased price of agricultural produce including fruits and vegetables due to middlemen/commission agents;

(b) if so, the details thereof alongwith the reasons therefor;

(c) whether it is a fact that the commission agents demand various charges on account of road clearance, payment to police, etc. besides deduction of transportation charges, handling charges and crate charges from farmers and sell the agriculture produce in the market at a price five to six times higher than the price paid to the farmers; and

(d) the remedial steps taken by the Government to safeguard the interest of the farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) & (b): Regulation on marketing of notified agricultural produce including fruits and vegetables is enforced by States through Agricultural Produce Market Committees (APMCs) under provisions of their Agricultural Produce Marketing (Regulation) (APMR) Acts. Due to imperfections in the present agri marketing system which is characterized by, inter alia, inadequate marketing infrastructure and long fragmented supply−chain, agricultural commodities are subjected to multiple handlings before they reach the ultimate consumers resulting in high post-harvest losses, enhanced consumers' price and price gap between farm gate and retail.

Contdâ€¦2/-

(c): Such undue collections, if any, by commission agents from farmers are not reported.

(d): In order to safeguard the interest of farmers, States have reportedly taken various measures like constant vigil by APMC officials on transactions, proper documentation thereof and stringent action on erring/defaulting commission agents as per rules.

Furthermore, Central Government is pursuing with the States to reform their agri marketing laws to, inter alia, promote direct purchase of agricultural produce from farmers at their farm gate and setting up of farmers' market, wherein farmers can sell their produce directly to consumers without involvement of middlemen. Additionally, the Central Government also advocates deregulation on marketing of fruits and vegetables outside the APMC market yards to enable alternate marketing channels to come up. More recently, Government has approved a scheme "Promotion of National Agricultural Market (NAM) through Agritech Infrastructure Fund (ATIF) to facilitate on-line trading of agricultural produce through common e-market platform. This is expected to safeguard the interests of farmers through, inter-alia, greater operational efficiency, transparent auction system, reduction in information asymmetry, improved price discovery, integration of ultimate buyers with farmers/sellers, e-payment, etc.

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